



October 14, 2022

DGM- Corporate Relations
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Listing Department
National Stock Exchange
Exchange Plaza, Plot No. C-1, Block G,
Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051

Dear Sir,

Sub: Audited Financial Results for the quarter and half year ended September 30, 2022.

Please find enclosed, the audited financial results of the Company in the prescribed format for the quarter and half year ended September 30, 2022, which were approved and taken on record by the Board of Directors of the Company at their Meeting held today – October 14, 2022.

The Auditors' Report with unmodified opinion on the said financial statement is also attached herewith.

You are requested to please take the same on record and confirm.

Yours faithfully,
For Tata Elxsi Limited

Cauveri Sriram
Company Secretary

Encl: a/a

TATA ELXSI

Registered Office **Tata Elxsi Limited** ITPB Road Whitefield Bangalore 560 048 India
Tel +91 80 2297 9123 Fax +91 80 2841 1474
www.tataelxsi.com

(CIN-L85110KA1989PLC009968)

TATA ELXSI LIMITED

CIN: L85110KA1989PLC009968

Regd. Office: ITPB Road, Whitefield, Bengaluru - 560 048

email:investors@tataelxsi.com website:www.tataelxsi.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 01, 2022 TO SEPTEMBER 30, 2022

Particulars	Quarter ended			Year to date for the period from		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	April 01, 2022 to September 30, 2022	April 01, 2021 to September 30, 2021	March 31, 2022
1 Income from operations						
(a) Revenue from operations	76,317.11	72,588.85	59,533.10	1,48,905.96	1,15,364.73	2,47,079.92
(b) Other income (Refer note 3)	1,866.94	1,031.90	243.18	2,898.84	1,993.26	4,453.27
Total income from operations (net)	78,184.05	73,620.75	59,776.28	1,51,804.80	1,17,357.99	2,51,533.19
2 Expenses						
(a) Cost of materials consumed	4,160.01	3,918.59	3,031.26	8,078.60	6,996.91	12,670.23
(b) Changes in inventories of stock-in-trade	(3.04)	56.00	-	52.96	6.29	(50.46)
(c) Employee benefits expense	39,216.52	36,567.85	31,094.56	75,784.37	61,383.28	1,28,810.56
(d) Finance costs	425.65	335.80	158.69	761.45	323.03	942.51
(e) Depreciation and amortisation expense	2,178.84	1,709.31	1,349.71	3,888.15	2,541.32	5,533.55
(f) Other expenses	10,289.48	8,231.03	7,043.26	18,520.51	13,615.32	29,077.90
Total expenses	56,267.46	50,818.58	42,677.48	1,07,086.04	84,866.15	1,76,984.29
3 Profit before tax (1-2)	21,916.59	22,802.17	17,098.80	44,718.76	32,491.84	74,548.90
4 Tax expense						
a) Current tax	4,456.00	4,484.00	4,645.00	8,940.00	8,856.00	19,374.61
b) Deferred tax	32.85	(153.94)	(79.57)	(121.09)	(235.07)	207.14
Total tax	4,488.85	4,330.06	4,565.43	8,818.91	8,620.93	19,581.75
5 Net profit for the period / year (3-4)	17,427.74	18,472.11	12,533.37	35,899.85	23,870.91	54,967.15
6 Other comprehensive income / (losses)						
(i) items that will not be reclassified to profit or loss	(91.16)	(400.80)	(210.12)	(491.96)	(208.70)	(309.46)
(ii) Income tax relating to items that will not be reclassified to profit or loss	31.85	140.06	73.43	171.91	72.93	108.14
Total other comprehensive income / (losses) (net of tax)	(59.31)	(260.74)	(136.69)	(320.05)	(135.77)	(201.32)
7 Total comprehensive income (5+6)	17,368.43	18,211.37	12,396.68	35,579.80	23,735.14	54,765.83
8 Paid-up equity share capital (face value ₹ 10/- each)	6,227.64	6,227.64	6,227.64	6,227.64	6,227.64	6,227.64
9 Other equity						1,53,862.65
10 Earnings per share						
- Basic EPS (₹)	27.98	29.66	20.13	57.65	38.33	88.26
- Diluted EPS (₹)	27.98	29.66	20.13	57.65	38.33	88.26

AUDITED SEGMENT WISE REVENUE AND RESULTS

Particulars	Quarter ended			Year to date for the period from		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	April 01, 2022 to September 30, 2022	April 01, 2021 to September 30, 2021	March 31, 2022
1 Segment revenue						
(a) Software development & services	74,354.52	71,085.43	58,177.65	1,45,439.95	1,12,883.83	2,42,131.14
(b) System integration & support services	1,962.59	1,503.42	1,355.45	3,466.01	2,480.90	4,948.78
Total	76,317.11	72,588.85	59,533.10	1,48,905.96	1,15,364.73	2,47,079.92
2 Segment results						
(a) Software development & services	25,490.41	25,433.08	19,171.44	50,923.49	35,711.84	82,894.53
(b) System integration & support services	283.59	0.24	111.36	283.83	111.30	248.98
Total	25,774.00	25,433.32	19,282.80	51,207.32	35,823.14	83,143.51
Less: Finance costs	425.65	335.80	158.69	761.45	323.03	942.51
Less: Unallocable expenditure (net of unallocable income)	3,431.76	2,295.35	2,025.31	5,727.11	3,008.27	7,652.10
Profit before tax	21,916.59	22,802.17	17,098.80	44,718.76	32,491.84	74,548.90

Notes on segment information

Business segments

The Company is structured into two industry verticals- software development & services and system integration & support services. Accordingly, the information has been presented along these business segments.

Assets and liabilities of the Company are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence, assets and liabilities have not been identified to any of the reportable segments.



TATA ELXSI LIMITED

CIN: L85110KA1989PLC009968

Regd. Office: ITPB Road, Whitefield, Bengaluru - 560 048

email:investors@tataelxsi.com website:www.tataelxsi.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD
FROM APRIL 01, 2022 TO SEPTEMBER 30, 2022

AUDITED BALANCE SHEET

	₹ lakhs	
	As at September 30, 2022	As at March 31, 2022
ASSETS		
Non-current assets		
(a) Property, plant and equipment	16,639.41	12,677.42
(b) Capital work-in-progress	616.88	2,208.92
(c) Right of use assets	16,762.60	12,438.36
(d) Intangible assets	1,794.90	2,034.77
(e) Financial assets		
(i) Investments *	-	-
(ii) Other financial assets	10,734.53	13,840.19
(f) Deferred tax assets (net)	1,189.83	896.83
(g) Other non-current assets	236.38	1,704.75
(h) Tax assets (net)	2,732.29	1,545.95
Total non-current assets	50,706.82	47,347.19
Current assets		
(a) Inventories	3.79	56.75
(b) Financial assets		
(i) Trade receivables		
Billed	60,734.05	55,368.06
Unbilled	15,939.84	11,910.74
(ii) Cash and cash equivalents	14,204.41	15,110.51
(iii) Other bank balances	81,960.71	81,410.39
(iv) Loans receivable	104.68	100.14
(v) Other financial assets	2,274.04	1,429.71
(c) Other current assets	4,643.92	4,183.84
Total current assets	1,79,865.44	1,69,570.14
TOTAL ASSETS	2,30,572.26	2,16,917.33
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	6,227.64	6,227.64
(b) Other equity	1,62,974.96	1,53,862.65
Total equity	1,69,202.60	1,60,090.29
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	16,516.55	11,828.60
(b) Provisions	4,048.76	3,976.17
Total non-current liabilities	20,565.31	15,804.77
Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	2,147.20	2,021.83
(ii) Trade payables		
a) Dues of micro, small and medium enterprises	225.14	45.94
b) Dues of creditors other than micro, small and medium enterprises	8,642.71	8,383.73
(iii) Other financial liabilities	10,085.92	10,795.45
(b) Other current liabilities	13,979.59	14,978.80
(c) Provisions	2,687.18	1,259.83
(d) Current tax liabilities (net)	3,036.61	3,536.69
Total current liabilities	40,804.35	41,022.27
TOTAL EQUITY AND LIABILITIES	2,30,572.26	2,16,917.33

* value is less than a lakh



STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 01, 2022 TO SEPTEMBER 30, 2022

AUDITED STATEMENT OF CASHFLOW

	₹ lakhs	
	For the period ended September 30, 2022	September 30, 2021
A. Cash flows from operating activities		
Profit for the period	35,899.85	23,870.91
Adjustment for:		
Income tax expense recognised in profit and loss	8,818.91	8,620.93
Depreciation and amortisation	3,888.15	2,541.32
Interest income	(2,155.01)	(1,444.36)
Finance costs	761.45	323.03
Provision for doubtful debts	(329.22)	1,040.18
Net loss on sale of assets	13.80	1.96
Net gain on lease modification	(116.03)	-
Net loss arising on financial assets measured at fair value through profit and loss	37.60	15.47
Net unrealised exchange (gains) / loss	282.07	(78.34)
Operating profit before working capital changes	47,101.57	34,891.10
Movement in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Loans receivables	(4.71)	(8.59)
Trade receivables- Billed	(5,204.72)	(2,246.14)
Trade receivables- Unbilled	(4,029.10)	(1,433.10)
Other financial assets	(1,119.86)	(182.40)
Other assets	(454.19)	(230.85)
Inventories	52.96	6.29
Adjustments for (increase) / decrease in operating liabilities:		
Provisions	989.60	(42.95)
Trade payables	588.26	636.59
Other financial liabilities	(865.45)	1,089.62
Other current liabilities	(999.21)	1,193.39
Cash generated from operations	36,055.15	33,672.96
Income tax paid (net)	(10,626.42)	(9,304.36)
Net Cash generated from operating activities - (A)	25,428.73	24,368.60
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangibles	(3,245.09)	(2,513.24)
Proceeds from sale of property, plant and equipment and intangibles	29.25	(0.01)
Movement in fixed deposits, net	3,600.00	10,750.40
Interest received	1,618.01	1,405.16
Net Cash generated from investing activities - (B)	2,002.17	9,642.31
C. Cash flows from financing activities		
Payment of lease liability	(1,614.19)	(1,272.63)
Interest paid	(9.31)	-
Dividend paid	(26,467.49)	(29,892.69)
Net Cash used in financing activities - (C)	(28,090.99)	(31,165.32)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(660.09)	2,845.59
Cash and cash equivalents as at beginning of the year	15,110.51	10,041.73
Effects of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies	(246.01)	84.00
Cash and cash equivalents as at end of the period	14,204.41	12,971.32



TATA ELXSI LIMITED

CIN: L85110KA1989PLC009968

Regd. Office: ITPB Road, Whitefield, Bengaluru - 560 048

email:investors@tataelxsi.com website:www.tataelxsi.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 01, 2022 TO SEPTEMBER 30, 2022

Notes:

- 1 These results have been prepared in accordance with the Ind AS notified under Companies (Indian Accounting Standards) Rules 2015. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 14, 2022. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2 The earnings per share (basic and diluted) for the interim periods have not been annualized.
- 3 Other income includes:

	Quarter ended			Year to date for the period from		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	April 01, 2022 to September 30, 2022	April 01, 2021 to September 30, 2021	March 31, 2022
Exchange gain / (loss)	144.35	(116.09)	(474.22)	28.26	18.47	429.39

- 4 The results of the Company for the quarter ended September 30, 2022 are available on the Company's website - www.tataelxsi.com, on the BSE Limited website- www.bseindia.com and the National Stock Exchange of India Limited website-www.nseindia.com.

By Order of the Board
for TATA ELXSI LIMITED



Manoj Raghavan
Managing Director
DIN: 0008458315



Bengaluru, October 14, 2022

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor, No. 13/2,
Off Intermediate Ring Road,
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000
Fax: + 91 80 4682 3999

Independent Auditor's Report

To the Board of Directors of Tata Elxsi Limited

Report on the audit of the Interim Financial Results

Opinion

We have audited the accompanying quarterly financial results of Tata Elxsi Limited ("the Company") for the quarter ended 30 September 2022 and the year-to-date results for the period from 01 April 2022 to 30 September 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the quarter ended 30 September 2022 as well as the year to date results for the period from 01 April 2022 to 30 September 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements.

The Company's Management and the Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Management and the Board of Directors are responsible for

Registered Office:

Independent Auditor's Report (Continued)

Tata Elxsi Limited

assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

B S R & Co. LLP

Independent Auditor's Report (Continued)

Tata Elxsi Limited

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**SANJAY
SHARMA**

Digitally signed by
SANJAY SHARMA
Date: 2022.10.14
16:26:54 +05'30'

Sanjay Sharma

Partner

Bangalore

14 October 2022

Membership No.: 063980

UDIN:22063980AZSFQA6552

Tata Elxsi delivers steady growth in Q2FY23 with 5.1% QoQ growth in revenues and industry leading EBITDA margin of 29.7%

Investing strongly for the next phase of growth – 1500+ Elxsians added in Q2FY23 along with new facilities in Bengaluru, Chennai, Kozhikode and Hyderabad

Bangalore, October 14, 2022: Tata Elxsi (BSE: 500408 | NSE: TATAELXSI), amongst the world's leading providers of design led technology services, announced its second quarter results for the period ending 30th September 2022.

Highlights of the Quarter Ended September 30th, 2022

- Revenues from operations at Rs. 763.2 Cr, + 5.1% QoQ, + 28.2% YoY
- Industry leading EBITDA Margin at 29.7%
- Profit after tax at Rs. 174.3 Cr, growing 39.1% YoY
- EPS grows 39.0% YoY to Rs. 27.98
- Crosses 11,000 employee mark with 1,532 net additions in the quarter

For the quarter ending 30th September 2022, the company reported Rs. 763.2 Cr of revenue from operations, a growth of 5.1% QoQ and 28.2% YoY while Profits After Tax grew 39.1% YoY.

The company's growth was primarily volume led, with all three segments of EPD, IDV and SIS showing robust growth of 3.8%, 13.5% and 26.2% QoQ respectively.

Q2 Business Highlights:

Industries:

- Transportation grows 3.8% QoQ and 30.4% YoY, aided by large deals in EV, ADAS and adjacencies in rail and offroad vehicles.
- Healthcare continues to witness strong growth of 8.2% QoQ and 55.9% YoY, driven by new product engineering and regulatory services.
- Media and Communications reports growth at 2.1% QoQ and 22.2% YoY, aided by platform-led deals and entry into new operator accounts.

Mr. Manoj Raghavan, CEO and Managing Director, Tata Elxsi, commenting on the company's performance, said:

"We have delivered a quarter of steady growth amidst macro-economic uncertainty and currency headwinds in our key markets. We are seeing strong and sustained growth in the automotive and adjacent segments, led by our EV and digital capabilities. We are gaining market share in both Automotive and Media & Communications, especially in Europe. The numbers are muted in the region due to unfavorable currency movement.

We won multi-year deals in EV and autonomous driving systems in the automotive space, and a next-gen platform for connectivity and infotainment with a leading offroad equipment maker. We have won strategic platform-led deals in media and communications, with new SaaS and managed services models.

For us, this has been a quarter of investing strongly in growth for the future. With a net add of 1532, we have added the highest number of Elxsians in our history in a single quarter, while the attrition rate declined for the second consecutive quarter. We have also invested in expanding our facilities in existing locations of Bengaluru, Chennai and Pune, and new talent bases in Kozhikode and Hyderabad.

We are also making significant investments in growing our leadership pipeline for delivery, technology and sales. This is essential for us to establish the next base of talent to win, manage and grow the increasing number of strategic accounts and new offerings we are bringing to market.

We are entering the second half of the financial year with a strong order book and a healthy deal pipeline across key markets and industries, and the confidence of customers in our technology capabilities and differentiated delivery models. Importantly, we have invested in capacity and capability building for engineering talent, leadership and technology that will drive our next phase of growth.”

About Tata Elxsi

Tata Elxsi is amongst the world’s leading providers of design and technology services across industries including Automotive, Broadcast, Communications, Healthcare and Transportation.

Tata Elxsi is helping customers reimagine their products and services through design thinking and application of digital technologies such as IoT (Internet of Things), Cloud, Mobility, Virtual Reality and Artificial Intelligence. For more information, please visit www.tataelxsi.com

Media Contact

Tata Elxsi
Hari Balan
Corporate Communications
+91 80 2297 9123
Email: media@tataelxsi.com